

# **Town of Los Altos Hills**

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**LOS ALTOS HILLS**



**CALIFORNIA**

## **Operating and Capital Improvement Program Budgets**

**Fiscal Year 2005 - 2006**

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# **Town of Los Altos Hills**

## **ADOPTED OPERATING AND CAPITAL IMPROVEMENT BUDGETS**

**FISCAL YEAR  
2005 - 2006**

Breene Kerr	Mayor
Dean Warshawsky	Mayor Pro Tem
Craig Jones	Councilmember
Jean Mordo	Councilmember
Mike O'Malley	Councilmember

**APPROPRIATIONS  
and  
INTERFUND TRANSFERS**

**Fiscal Year 2005 - 2006**

**I. APPROPRIATIONS**

<u>Fund</u>	<u>Program</u>	<u>Appropriation</u>
General	Operations	
	City Council	32,047
	City Manager	209,611
	City Clerk	142,005
	Finance	301,131
	City Attorney	563,500
	Community Services	48,977
	Town Committees	111,250
	Public Safety	843,023
	Planning	656,658
	Building	472,572
	Engineering	345,795
	Playing Fields	57,591
	Westwind Barn	44,998
	Graffiti Abatement	1,045
	Parks and Recreation	109,229
	Total General Fund Operations	3,939,433
Sewer Fund	Operations	804,665
Solid Waste Fund	Operations	1,471,745
	Total Operations Budget	6,215,843

**II. INTERFUND TRANSFERS**

To the General Fund for Reimbursement of Administrative Expenses:

Sewer Fund	138,822
Solid Waste Fund	121,826
Total	260,648

**EXHIBIT B****CAPITAL IMPROVEMENT PROJECTS****Fiscal Year 2005-2006****I. APPROPRIATIONS**

<u>CIP Fund</u>	<u>Project</u>	<u>Appropriation</u>
Pathways	Pathway improvements	100,000
Drainage	Storm drain master plan projects	200,000
Street	Pavement rehabilitation and striping	800,000
General Services	PHWD building rehabilitation	100,000
Sewer Fund	Sewer master plan and projects	<u>300,000</u>
Total Capital Appropriations		<u><u>1,500,000</u></u>

## **Budget Message**

As in prior years, the Town's priorities for fiscal year 2005 – 2006 are to provide timely and quality services to residents and to preserve infrastructure assets. The proposed budget presented in this document is our plan for meeting Town priorities within our fiscal constraints. The assumptions used for estimating revenue and our plan for controlling expenditures are explained in this transmittal document.

This year we will move into the new Town Hall facility. The new facility will require servicing to preserve and protect the building, furnishings, plant and landscaping. This year's budget provides for the services of a management firm to direct and monitor building maintenance. Also new this year are budgeted lease and loan repayments for the new Town Hall and solar systems financing. A CPI increase of 1.65% for employee salaries has been included. The budget for legal expenditures remains at the amended budget level for fiscal year 2004 – 2005 due to the ongoing litigation concerning development and zoning issues. In addition, providing for the maintenance and replacement of the Town's aging streets, pathways, utilities and buildings, as provided for in the Capital Improvement Program section of this budget, is a requirement for the continued successful delivery of municipal services into the future.

This proposed budget has been prepared in accordance with the following principles:

- Complete projects that have been started
- Restructure Town services to make the best use of scarce resources
- Use reserves, new revenues and reductions to fund a balanced, sustainable budget
- Evaluate new ways to do business to improve services and reduce costs

### **REVENUE ESTIMATES**

With the passage of Proposition 1A in November, 2004, cities and counties accepted deep cuts in the form of property tax and sales tax shifts for two years in exchange for constitutional protection of local revenues in future years. The loss of revenue to the Town is approximately \$96,000 for both fiscal years 2004 – 2005 and 2005 – 2006.

Budgeted revenues for all funds for fiscal year 2005 - 2006 are \$7,637,138, a decrease of \$2,397,752 compared to the amended budget for fiscal year 2004 - 2005. One-time revenue sources for 2004 – 2005 account for the difference: lease financing proceeds (\$2,000,000), California Energy Loan proceeds (\$160,000), energy rebates (\$96,644), and the Packard Foundation grant (\$75,000).

Assumptions and observations made in developing estimates for major revenue sources are as follows:

### ***Property taxes***

Property tax is projected to be 14% higher than last year, based on an increase in property valuation and the backfill of vehicle license fees with additional property tax. Based on reports from the Santa Clara County Assessor's office, the Town's property values have increased by 11%. The backfill of vehicle license fees will come from property tax that had previously been diverted for school financing. Property taxes account for approximately 45% of General Fund revenues.

### ***Other taxes***

The budget for other taxes is \$55,000 higher than the previous fiscal year based on current year collections of business license, real property transfer and sales taxes.

### ***State funding***

The vehicle license fee is now set at .65% of vehicle value, as compared to the previous rate of 2%. As a result of Proposition 1A, the State is backfilling the difference out of property taxes that had been previously redirected to school funding. The Town will receive the backfill in the form of additional property tax. The VLF for fiscal year 2005 - 2006 has been budgeted at \$50,000, based on estimates from the State Controller's office. The vehicle license fee now represents 1% of General Fund revenues, as compared to 12% in previous years. As noted above, the backfill is now accounted for in the property tax category.

Other State revenues, such as Gas Tax, have also been budgeted at levels consistent with fiscal year 2004 – 2005.

### ***Permits and licenses***

In November, 2004, the City Council approved modest increases in development fees. The increases became effective in January, 2005. The amount budgeted for fiscal year 2005 – 2006 is consistent with the estimated actual revenue for fiscal year 2004 – 2005.

### ***Charges for services***

As noted above, in November, 2004, the City Council approved modest increases in development fees. The increases became effective in January, 2005. Based on this revision in fees and the anticipated level of planning applications, the budget for this category was increased to an amount consistent with the estimated actual revenue for the current fiscal year.

### ***Interest revenue***

Investment rates on cash invested with the California Local Agency Investment Fund (LAIF) ranged from 1.67% to 2.85%, compared to 1.63% to 1.44% in the previous fiscal

year. Higher interest rates, coupled with the infusion of cash from the new Town Hall financing lease, resulted in higher than anticipated interest earnings. As a result, the budget for interest revenue for all funds has been increased over the prior fiscal year from \$131,647 to \$269,970.

### ***Roadway impact fees***

The City Council adopted a Roadway Impact Fee during fiscal year 2004 – 2005, which is expected to provide \$300,000 for street maintenance and construction. The fee is assessed on building permits with a valuation in excess of \$10,000 and on garbage accounts.

Staff will analyze the adequacy of development fees and propose adjustments as needed in order to ensure that all eligible costs are recovered. Staff will update the City Council on 911 emergency response fees that would offset a portion of the Town's emergency communications costs.

### **OPERATING EXPENDITURES**

Total operating expenditures for the General Fund are projected to be \$3,939,433 for fiscal year 2005 - 2006. This amount is \$182,004, or 5% more than the amended budget for the prior year.

A CPI increase of 1.65% for employee salaries is included in the budget along with step (merit) increases where they may be applicable. The employee benefit rate increased from 40% of payroll costs to 46%.

The Town provides a defined benefit retirement plan for employees through CalPERS. The employer's retirement contribution (as a percent of salary) for the Town was 1.508% for fiscal year 2002 - 2003 and 4.611% for fiscal year 2003 - 2004. The rate for fiscal year 2004 - 2005 is 9.813% and for fiscal year 2005 - 2006, the rate is projected to be 14.123%. The average contribution rate for this four year period is 7.514%, as compared to an average of 7.45% for the previous ten year period. In addition, the Town pays the employee contribution of 7%, as is the case with the vast majority of public agencies. CalPERS takes into account its return on investments when setting rates. CalPERS uses 7.75% as the rate of return required to fund the retirement program. The agency "smooths" the contribution rate by averaging returns over several years. Although CalPERS had an annualized 10.17% return for the ten year period ending June 30, 2004, investment losses in fiscal years 2000 - 2001 and 2001 - 2002 had a significant impact on rates. CalPERS' investment rates of return were 12.7% and 16.7% for fiscal years 2004 – 2005 and 2003 – 2004, respectively. This improved performance will help control increases for future years.

Effective July 1, 2004, agencies with fewer than one hundred employees were combined into risk pools. The pooling should help control costs by reducing the risk inherent with a small group of employees. The Town could further avoid fluctuations in CalPERS

contribution rates by adopting a policy of appropriating the employer contribution rate of 7.75% even when the required contribution rate is lower. The excess could be placed in a reserve account which could be drawn upon if and when the required contribution rate exceeded 7.75%.

Premiums for employee health insurance, which the Town also obtains from CalPERS, are expected to increase by 10% in January, 2006. The Town obtains workers' compensation insurance through the Association of Bay Area Government (ABAG). Premiums have been budgeted at a level consistent with the prior fiscal year.

The budget for City Attorney services has been maintained at the amended level for fiscal year 2004 – 2005 due to ongoing litigation concerning development and zoning issues.

The budget for Public Safety is \$40,4567 higher than fiscal year 2004 - 2005 due to rising costs of operating the Sheriff's office, including retirement, health insurance and the new sub-station.

Staff strives to identify ways to control costs while maintaining or improving service to residents. We have entered into agreements with local contractors for year-round on call support for after-hours emergencies previously handled by our Maintenance Crew. This arrangement saves the Town approximately \$15,000 per year. We are working with underwriters and the Bay Area Medical Review Consortium to consolidate employee benefits, such as vision, dental, employee assistance plan, and life and long-term disability insurance.

We are making every effort to use staff time as fully and productively as possible, to limit the use of outside service providers for tasks that can be performed by staff, and to recover costs whenever appropriate. The building, planning and engineering departments have implemented recommendations to better utilize staff, increase productivity and provide improved customer service.

Brief descriptions of new activities and budget requirements are provided in the "Departmental Budgets" section of this document.

## TRANSFERS

Proposed budget transfers to the General Fund for fiscal year 2005 - 2006 overhead expenses were calculated in a manner similar to that of prior years. The overhead cost allocation formula was evaluated and updated to reflect the estimated administrative time involved for each of the Town's operational departments and Enterprise Funds. Transfers from the Enterprise Funds will recoup \$260,648 by the General Fund in overhead allocations.

Transfers between funds are shown on the "Interfund Transfer" page of the Budget Summaries section.



## CAPITAL IMPROVEMENT PROGRAM BUDGETS

As noted at the beginning of this report, providing for the maintenance and replacement of the Town's aging streets, pathways, utilities and buildings must be considered as a requirement for the continued successful delivery of municipal services into the future. Projects totaling \$1.5 million are included in the Capital Improvement Program section of this budget. These projects will preserve and enhance infrastructure. Funding sources for the projects are provided.

It should be noted that the Page Mill Road embankment stability project and Natoma Road settlement repair project are receiving ongoing monitoring and minor drainage improvements to reduce ground saturation. Staff is now also monitoring widening cracks in the pavement along Elena Road and performing testing to determine the depth and character of the on-going movement. In case of a failure at any of these locations, a landslide would cost \$1.5 million to repair. None of these projects is budgeted at this time.

## FUND LEVELS

This budget increases the General Fund reserves to \$4,690,584 - an increase of \$4,867 from the beginning fund balance. However, reserves of other funds will decrease. The Capital Projects Funds will decrease by \$600,000 to \$286,863 due to the funding of capital projects out of reserves rather than by means of transfers from the General Fund. For fiscal year 2006 – 2007, the General Fund will again need to transfer funds to the Capital Projects Funds to maintain targeted infrastructure expenditures. The Sewer Operations Fund will fund capital improvement projects in the amount of \$300,000. The Solid Waste Fund will decrease by \$88,971 due to the on-going partial subsidy of garbage collection fees for residents.

Although the proposed budget reflects a thoughtful and prudent allocation of the Town's resources, it is expected that due to budgetary controls, some budgetary savings will be experienced in all departments, adding to the amount available to transfer to capital projects or to strengthen reserves. Every effort has been made to provide realistic expenditure proposals, consistent with the Council's stated priorities, to those areas that most need attention and will provide the means to better serve the Town's residents long into the future.

## FUND RESTRICTIONS

The General Fund accounts for financial resources not required to be accounted for in another fund. This Fund consists primarily of governmental type activities and revenues can generally be used for any legal purpose.

Moneys received from the State for gas tax is restricted to street maintenance and capital improvement.

Amounts collected for storm drain fees, in-lieu pathway fees and roadway impact fees are restricted for storm drain, pathway and street maintenance and construction. Revenues in the Citizens' Option for Public Safety (COPS) Fund and California Law Enforcement Equipment Program (CLEEP) are restricted for law enforcement activities and equipment purchases.

The fees recorded in the Sewer and Solid Waste Funds are restricted to the operation and maintenance of the systems and for related capital improvement programs.

The Internal Service Fund is used to record general overhead expense which is then allocated to various Town departments. The retained earnings balance of this fund has been used historically to fund equipment purchases.

#### LEVELS OF BUDGETARY CONTROL

This operating budget document contains a proposed expenditures budget for each department or program of the Town, accompanied by supporting narrative that provides details of significant program or service level changes from the prior year's budget. Although the budget document shows specific expenditures in line-item detail, budgetary review exists only at the level of expenditure categories (i.e., salaries and benefits, contract services, supplies and materials, etc.) within each department or program. The departmental budgets are utilized as guidelines, with emphasis placed on proper recording and reporting of the actual expenditures.

Budgetary controls are applied at an even higher level. Council must authorize, by budget amendment, all expenditures that exceed the following appropriations:

<u>Fund</u>	<u>Subfunds</u>	<u>Level of Budgetary Control</u>
General Fund	General Fund Parks and Recreation	Department or program within each subfund
Special Revenue Fund	Storm Drain Operations Pathway In-lieu Street Operations Roadway Impact Fees COPS CLEEP	Subfund
Enterprise Fund	Sewer Fund Solid Waste Fund Internal Service Fund	Subfund
Capital Projects		Project (account)

In addition to the above controls, departmental appropriations for salaries and benefits, which are based on the Employee Classification and Compensation Plan, may not be exceeded without Council approval.

The City Manager has the authority to make or approve administrative adjustments to the budget as long as those changes will not have a significant impact on projected year-end fund balances. In addition, the City Manager's contingency account is a budgetary account only; funds may be transferred from the contingency account to augment any other line item budget as approved by the City Manager.

#### ORGANIZATION OF BUDGET DOCUMENT

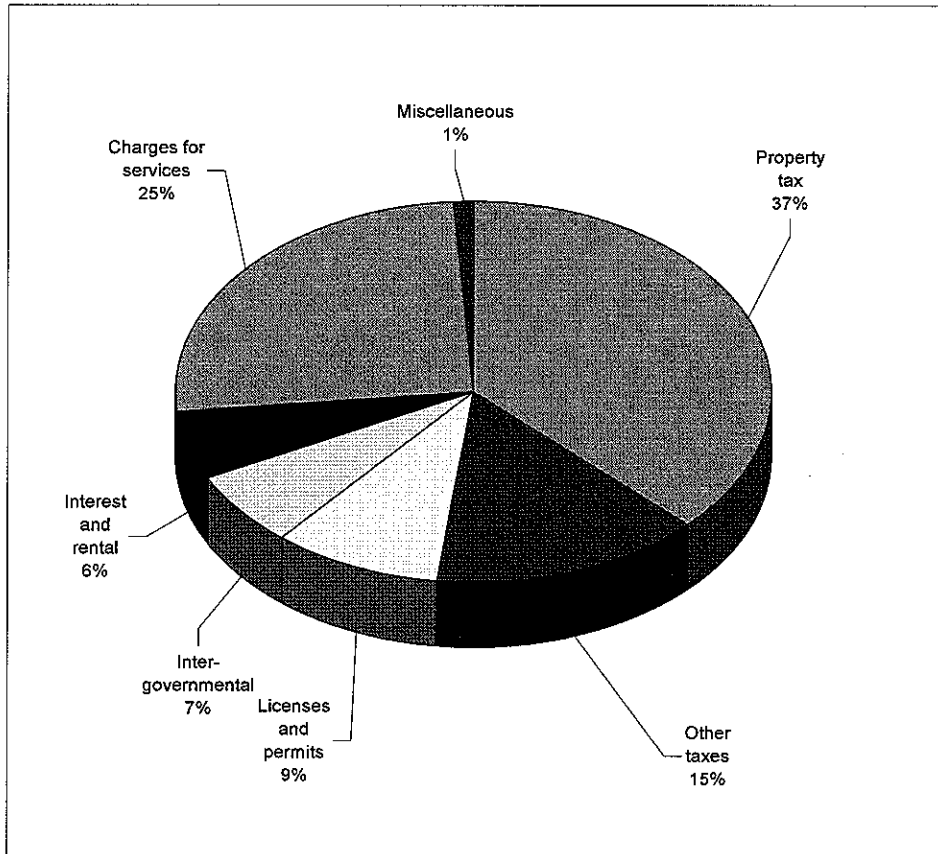
The "Budget Summaries" section of this document provides summarized information on a Town-wide basis. The "Fund Balance/Retained Earnings Analysis" presents estimated beginning fund balances, budgeted revenues, expenditures, transfers in and out, and the projected fund balance at June 30, 2006. The "Revenues" and "Expenditures" summaries present summarized information by fund. The "Capital Outlay" summary indicates funding levels and sources for various capital projects. The "Interfund Transfer" page details transfers to and from the various funds. The "Overview of Town Finances" page shows actual and projected reserve balances. Finally, the "Five Year Capital Improvement" schedule gives an overview of capital spending.

The next four sections – "Revenues," "Departmental Budgets," "Cost Allocations," and "Capital Improvement Program" – provide line item detail.

The Miscellaneous Information section contains schedules of Town compensation and staffing and the calculation of the 2005 - 2006 Gann limit for appropriations.

# Town of Los Altos Hills

## General and Special Revenue Fund Revenues Budget for Fiscal Year 2005 - 2006

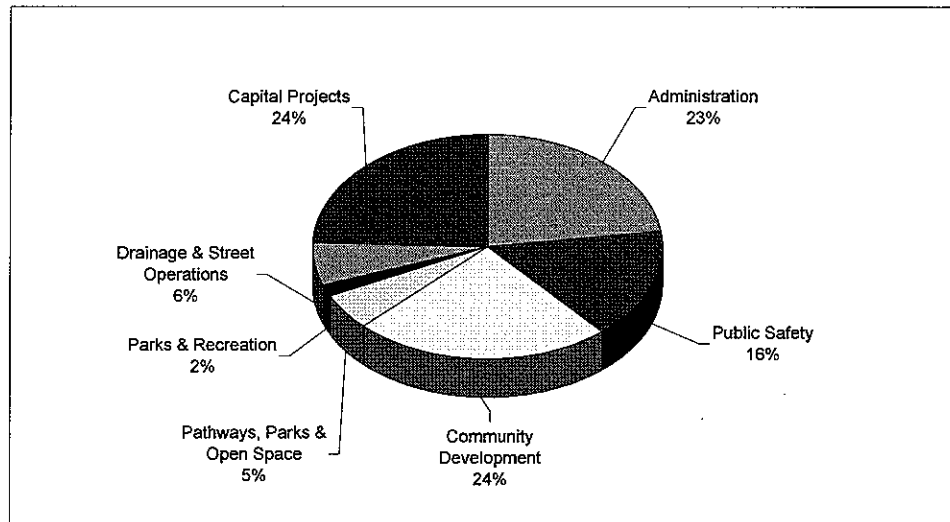


	<u>Budget FY 2006</u>	<u>Budget FY 2005</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Property Tax	1,948,733	1,727,500	221,233	12.81%
Other Taxes	767,300	689,735	77,565	11.25%
Licenses and Permits	468,000	433,800	34,200	7.88%
Intergovernmental	347,000	1,220,432	(873,432)	-71.57%
Interest and Rental	301,090	189,378	111,712	58.99%
Charges for Services	1,331,350	1,069,287	262,063	24.51%
Miscellaneous	57,700	2,388,594	(2,330,894)	-97.58%
Total	5,221,173	7,718,726	(2,497,553)	-32.36%

# Town of Los Altos Hills

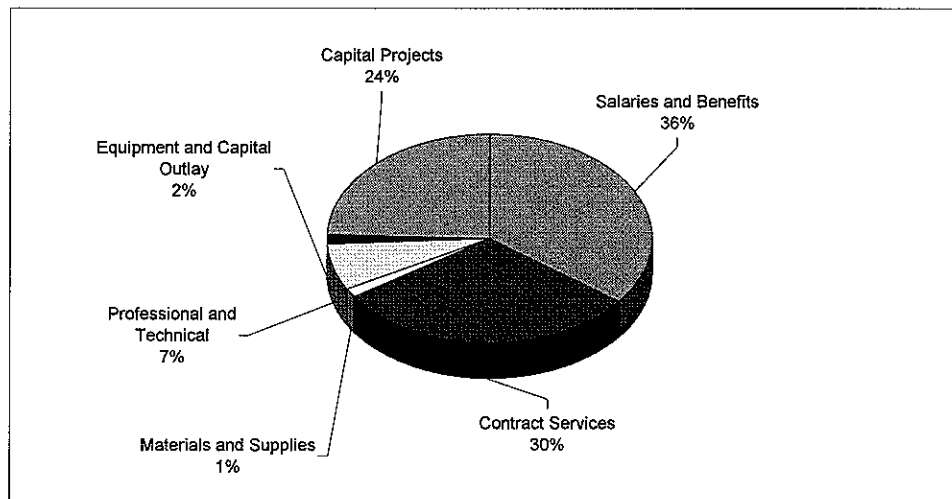
## Budget for Fiscal Year 2005 - 2006

### Governmental Fund Expenditures by Function\*



	Budget FY 2006	Budget FY 2005	Increase (Decrease)	% Increase (Decrease)
Administration	1,408,521	1,357,754	50,767	3.74%
Public Safety	963,751	919,720	44,031	4.79%
Community Development	1,475,025	1,377,889	97,136	7.05%
Pathways, Parks & Open Space	322,905	316,230	6,675	2.11%
Parks & Recreation	109,229	118,656	(9,427)	-7.94%
Drainage & Street Operations	380,199	394,554	(14,355)	-3.64%
Capital Projects	1,500,000	5,791,551	(4,291,551)	-74.10%
<b>Total</b>	<b>6,159,630</b>	<b>10,276,354</b>	<b>(4,116,724)</b>	<b>-40.06%</b>

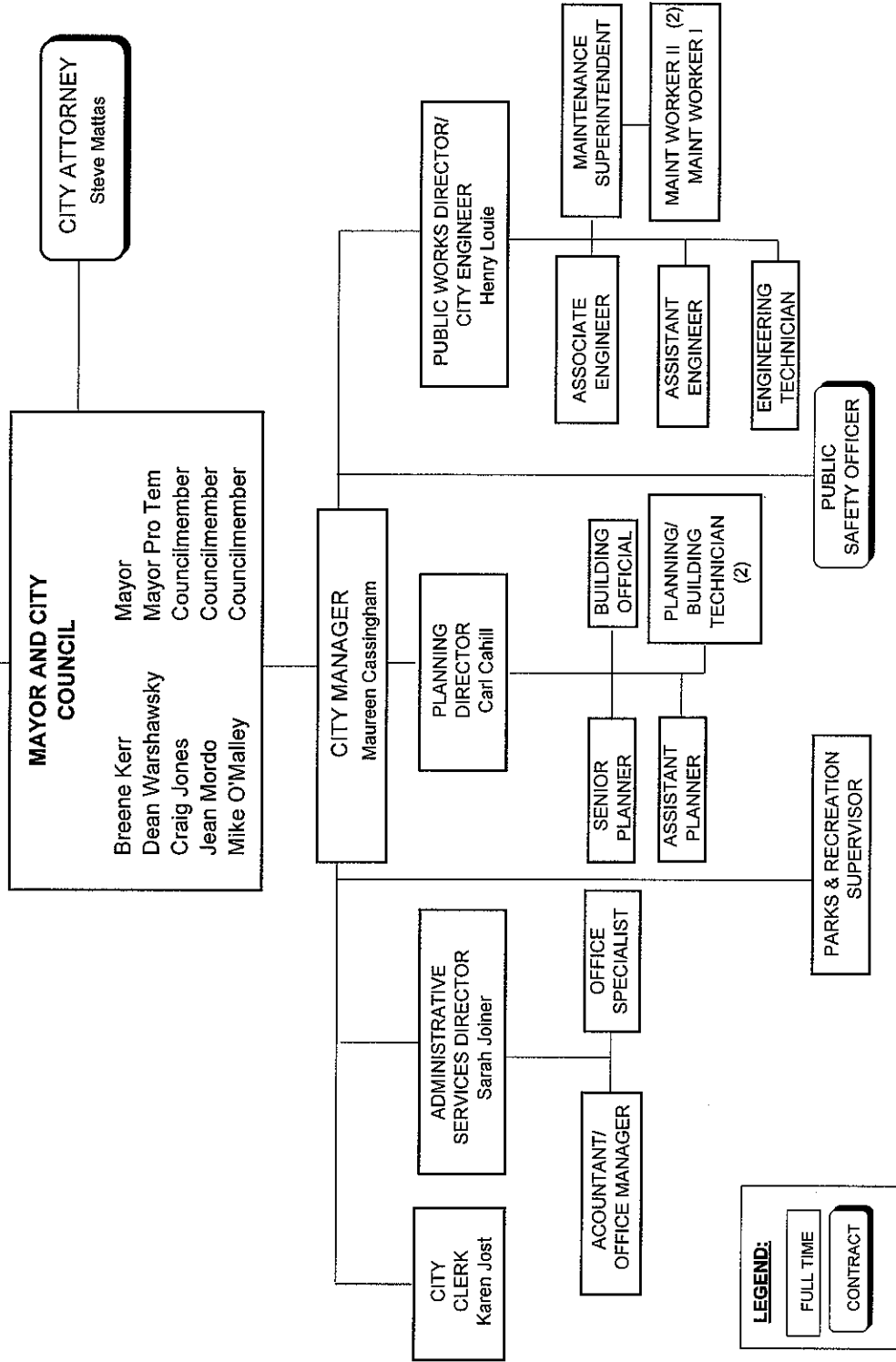
### Governmental Fund Expenditures by Object\*



	Budget FY 2006	Budget FY 2005	Increase (Decrease)	% Increase (Decrease)
Salaries and Benefits	2,166,148	1,945,516	220,632	11.34%
Contract Services	1,872,282	1,869,808	2,474	0.13%
Materials and Supplies	87,214	95,918	(8,704)	-9.07%
Professional and Technical	440,182	461,479	(21,297)	-4.61%
Equipment and Capital Outlay	93,804	112,081	(18,277)	-16.31%
Capital Projects	1,500,000	5,791,551	(4,291,551)	-74.10%
<b>Total</b>	<b>6,159,630</b>	<b>10,276,354</b>	<b>(4,116,724)</b>	<b>-40.06%</b>

\* Includes General Fund, Special Revenue Funds and Capital Improvement Funds

# RESIDENTS OF LOS ALTOS HILLS



**Town of Los Altos Hills**  
**Fund Balances/Retained Earnings Summary**  
**Fiscal Year 2005 - 2006**

	Estimated Fund balance/ retained earnings 06/30/2005	Budgeted revenues FY 2006	Budgeted expenditures/ expenses FY 2006	Budgeted transfers in FY 2006	Budgeted transfers out FY 2006	Estimated fund balance/ retained earnings 06/30/2006
<b>General Fund</b>						
General	4,685,717	4,271,553	3,830,204	260,648	697,130	4,690,584
Parks and Recreation Fund	0	27,000	109,229	82,229		(0)
<b>Combined General Fund</b>	<b>4,685,717</b>	<b>4,298,553</b>	<b>3,939,433</b>	<b>342,877</b>	<b>697,130</b>	<b>4,690,584</b>
<b>Special Revenue Funds</b>						
Storm Drain Fund	0	100,000	202,998	102,998		0
Pathway In-lieu	313,135	140,000	219,271			233,864
Street Fund	42,084	275,192	177,201			140,075
Roadway Impact Fees	0	301,000			300,000	1,000
Citizens' Option for Public Safety	260,964	105,410	97,225			269,149
California Law Enforcement Equipment Program	22,485	1,018	23,503			0
<b>Total Special Revenue Funds</b>	<b>638,668</b>	<b>922,620</b>	<b>720,197</b>	<b>102,998</b>	<b>300,000</b>	<b>644,089</b>
<b>Debt Service Fund</b>						
Debt Service Reserve Fund	0	0	211,903	211,903		0
<b>Total Debt Service Fund</b>	<b>0</b>	<b>0</b>	<b>211,903</b>	<b>211,903</b>	<b>0</b>	<b>0</b>
<b>Capital Projects Funds</b>						
General CIP Fund	0		100,000	100,000		0
Pathways and Open Space	331,321		100,000			231,321
Drainage	0		200,000	200,000		0
Street	509,973		800,000	300,000		9,973
Solid Waste	45,569					45,569
Sewer	0		300,000	300,000		0
Undergrounding Utilities	0					0
<b>Total Capital Projects Funds</b>	<b>886,863</b>	<b>0</b>	<b>1,500,000</b>	<b>900,000</b>	<b>0</b>	<b>286,863</b>
<b>Proprietary Funds</b>						
Sewer	2,631,956	908,865	804,665		438,822	2,297,334
Solid Waste	356,783	1,504,600	1,471,745		121,826	267,812
<b>Total Proprietary Funds</b>	<b>2,988,739</b>	<b>2,413,465</b>	<b>2,276,410</b>	<b>0</b>	<b>560,648</b>	<b>2,565,146</b>
<b>Internal Service Funds</b>						
Internal Service	763,778	2,500	0			766,278
<b>Total Internal Service Fund</b>	<b>763,778</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>766,278</b>
<b>Totals - All Funds</b>	<b>9,963,765</b>	<b>7,637,138</b>	<b>8,647,944</b>	<b>1,557,778</b>	<b>1,557,778</b>	<b>8,952,960</b>

**Town of Los Altos Hills  
Revenue Budgets  
Fiscal Year 2005 - 2006**

	Actual FY 2003 - 2004	Amended budget FY 2004 - 2005	Adopted budget FY 2005 - 2006
<b>GENERAL FUND</b>			
Property taxes	1,559,489	1,727,500	1,948,733
Other taxes	445,996	368,000	423,000
Franchise fees	318,133	321,735	344,300
Permits and licenses	481,748	433,800	468,000
Use of money and property	210,053	183,586	269,470
Intergovernmental revenue	453,724	963,432	81,000
Charges for services	618,794	590,067	679,350
Other miscellaneous revenue	186,276	2,388,594	57,700
TOTAL - GENERAL FUND	4,274,213	6,976,714	4,271,553
<b>PARKS AND RECREATION</b>			
Program fees	29,149	29,220	27,000
<b>COMBINED GENERAL FUND</b>	<b>4,303,362</b>	<b>7,005,934</b>	<b>4,298,553</b>
<b>SPECIAL REVENUE FUNDS</b>			
<b>STORM DRAIN FUND</b>			
Charges for services	140,581	100,000	100,000
<b>PATHWAYS IN-LIEU</b>			
Use of money and property	8,247	2,775	15,000
Charges for services	163,639	125,000	125,000
TOTAL - PATHWAY IN LIEU	171,886	127,775	140,000
<b>STREET FUND</b>			
Use of money and property	15,511	0	9,192
Intergovernmental revenue	161,239	157,000	166,000
Charges for services	141,483	75,000	100,000
TOTAL - STREET FUND	318,233	232,000	275,192
<b>ROADWAY IMPACT FEES</b>			
Use of money and property	0	0	1,000
Impact fees	0	150,000	300,000
TOTAL - ROADWAY IMPACT FEES	0	150,000	301,000
<b>CITIZENS' OPTION FOR PUBLIC SAFETY (COPS)</b>			
Use of money and property	3,724	2,418	5,410
Intergovernmental revenue	100,000	100,000	100,000
TOTAL - COPS FUND	103,724	102,418	105,410
<b>CALIFORNIA LAW ENFORCEMENT EQUIPMENT (CLEEP)</b>			
Use of money and property	837	599	1,018
TOTAL - CLEEP FUND	837	599	1,018
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>735,261</b>	<b>712,792</b>	<b>922,620</b>
<b>ENTERPRISE FUNDS</b>			
<b>SEWER FUND</b>			
Use of money and property	38,458	28,180	51,800
Charges for services	933,900	841,995	857,065
TOTAL - SEWER FUND	972,358	870,175	908,865
<b>SOLID WASTE FUND</b>			
Use of money and property	9,909	6,489	14,600
Intergovernmental revenue	10,299	7,000	10,000
Charges for services	1,451,606	1,400,000	1,450,000
Other miscellaneous revenue	30,310	30,000	30,000
TOTAL - SOLID WASTE FUND	1,502,124	1,443,489	1,504,600
<b>TOTAL ENTERPRISE FUNDS</b>	<b>2,474,482</b>	<b>2,313,664</b>	<b>2,413,465</b>
<b>INTERNAL SERVICE FUNDS</b>			
<b>GENERAL SERVICE FUND</b>			
Other miscellaneous revenue	2,500	2,500	2,500
<b>TOTAL - GENERAL SERVICE FUND</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
<b>TOTAL REVENUES</b>	<b>7,515,605</b>	<b>10,034,890</b>	<b>7,637,138</b>



**Town of Los Altos Hills  
Departmental Operating Budgets  
Fiscal Year 2005 - 2006**

	Actual FY 2003 - 2004	Amended budget FY 2004 - 2005	Adopted budget FY 2005 - 2006
<b>GENERAL FUND OPERATIONS</b>			
City Council	26,980	33,313	32,047
City Manager	187,855	198,907	209,611
City Clerk	126,904	151,985	142,005
Administrative Services	234,682	237,322	301,131
City Attorney/Insurance	263,319	578,500	563,500
Community Services	36,977	36,977	48,977
Town Committees	84,015	120,750	111,250
Public Safety	673,444	797,778	843,023
Planning	574,403	607,968	656,658
Building	421,327	462,668	472,572
Engineering	355,801	307,253	345,795
Playing Fields	43,574	69,541	57,591
Westwind Barn	9,162	34,730	44,998
Graffiti Abatement	85	1,081	1,045
Sub-total - General Expenditures	3,038,528	3,638,773	3,830,204
Parks and Recreation	95,715	118,656	109,229
<b>TOTAL</b>	<b>3,134,243</b>	<b>3,757,429</b>	<b>3,939,433</b>
<b>SPECIAL REVENUE FUNDS</b>			
Storm Drain	116,363	192,751	202,998
Pathway In-lieu	188,050	210,878	219,271
Street Operations	223,736	201,803	177,201
Citizens' Option for Public Safety	71,490	91,762	97,225
California Law Enforcement Equipment Program	8,320	30,180	23,503
<b>TOTAL</b>	<b>607,959</b>	<b>727,374</b>	<b>720,197</b>
<b>ENTERPRISE FUNDS OPERATIONS</b>			
Sewer Fund	690,803	762,855	804,665
Solid Waste	1,399,889	1,462,441	1,471,745
<b>TOTAL</b>	<b>2,090,692</b>	<b>2,225,296</b>	<b>2,276,410</b>
<b>INTERNAL SERVICE FUND</b>			
Town Center Operations	279,192	236,481	235,239
Office Equipment	3,634	3,000	3,000
Public Works Operations	40,054	50,417	55,965
Vehicle/Equipment Operations	81,668	64,215	54,916
Vehicle/Equipment Capital	0	0	0
<b>TOTAL</b>	<b>404,548</b>	<b>354,113</b>	<b>349,120</b>
Less Internal Service Fund allocations to Departments	(404,548)	(354,113)	(349,120)
	<b>\$5,832,894</b>	<b>\$6,710,100</b>	<b>\$6,936,041</b>

**Town of Los Altos Hills**  
**Capital Improvement Projects Budgets**  
**Fiscal Year 2005 - 2006**

<b>CAPITAL IMPROVEMENT PROGRAM FUNDS</b>
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	Pathways	Drainage	Street	General CIP	Sewer	Totals
<b>Projects</b>						
Pathway projects to be identified	100,000					100,000
Storm drain master plan projects		200,000				200,000
Pavement rehabilitation and striping			800,000			800,000
Misc General projects - Town-owned buildings				100,000		100,000
Sewer projects					300,000	300,000
<b>TOTALS</b>	<b>100,000</b>	<b>200,000</b>	<b>800,000</b>	<b>100,000</b>	<b>300,000</b>	<b>1,500,000</b>
<b>Funding sources - transfers in</b>						
General Fund		200,000		100,000		300,000
Street Fund						0
Roadway Impact Fee Fund			300,000			300,000
Sewer Fund					300,000	300,000
From CIP Fund Balance	100,000		500,000			600,000
<b>TOTALS</b>	<b>100,000</b>	<b>200,000</b>	<b>800,000</b>	<b>100,000</b>	<b>300,000</b>	<b>1,500,000</b>

**Town of Los Altos Hills  
Interfund Transfers  
Fiscal Year 2005 - 2006**

	<b>Budgeted transfers in FY 2006</b>	<b>Budgeted transfers out FY 2006</b>
<b>General Fund</b>		
General		
From Solid Waste Fund	121,826	
From Sewer Fund	138,822	
To Parks and Recreation Fund		82,229
To Storm Drain Fund		102,998
To Debt Service Fund		211,903
To General CIP Fund		100,000
To Drainage CIP Fund		200,000
<b>General Fund totals</b>	<b>260,648</b>	<b>697,130</b>
Parks and Recreation Fund		
From General Fund	82,229	
<b>Combined General Fund</b>	<b>342,877</b>	<b>697,130</b>
<b>Special Revenue Funds</b>		
Storm Drain Fund		
From General Fund	102,998	
Roadway Impact Fee		
To Street CIP Fund		300,000
<b>Total Special Revenue Funds</b>	<b>102,998</b>	<b>300,000</b>
<b>Debt Service Fund</b>		
Debt Service Reserve Fund	211,903	
<b>Capital Projects Funds</b>		
General CIP Fund		
From General Fund	100,000	
Drainage		
From General Fund	200,000	
Street		
From Traffic Impact Fee Fund	300,000	
Sewer		
From Sewer Fund	300,000	
<b>Total Capital Projects Funds</b>	<b>900,000</b>	<b>0</b>
<b>Proprietary Funds</b>		
Sewer		
To General Fund		138,822
To Sewer CIP Fund		300,000
Solid Waste		
To General Fund		121,826
<b>Total Proprietary Funds</b>	<b>0</b>	<b>560,648</b>
<b>Totals - All Funds</b>	<b>1,557,778</b>	<b>1,557,778</b>